

Cancel All Debt to China

Gunnar Gundersen

replying to [The Editors](#), "[The Coronacrisis and our Future Discontents](#)"

Features

03.30.2020

American Mind

The decisive move will show the CPC we mean business.

The American way of life has encountered its most existential challenge in recent history. Big and bold ideas are needed to overcome the challenges we face. We need a new vision of our role in the global economy to guarantee our future prosperity. As that famous line from [The Leopard](#) has it—"everything must change so that everything can stay the same."

The wisdom of the late Kenny Rogers in the *The Gambler* is relevant too: "You've got to know when to hold'em, know when to fold'em, know when to walk away, and know when to run."

We bet big that we could subsidize the Chinese Communist Party into freedom. It's time to admit that bet was a loser.

The American people need cash. They need relief from the pain caused by the lies of the CPC. And the American people need guaranteed access to medical supplies and medicine—made at home or by allies. Our economy needs the time and flexibility to adjust to these new realities and establish itself on a new, China-independent footing. And, as on 9/11, we need justice.

I have a simple, bold, and decisive step we can take: cancel all American debt held by the CPC, whether by the Chinese government or companies controlled by them. That is debt we can finance with someone else and use the money to give relief to Americans who need it and to bring manufacturing home.

A trillion dollars can go a long way. Our companies externalized the cost of China's human-rights abuses and lax environmental laws to provide cheap labor for manufacturing. What we're experiencing now is those costs coming home to roost. The Communist Party thought nothing of lying about COVID-19 to keep commerce from China flowing through the holiday season. And now, we find that the price of a cheap Christmas was a long Lent.

Our allies and friends in Asia cannot afford weakness. Nor can our way of life.

If America allows its people to suffer in this manner, without serious and permanent consequences for the CPC, we can kiss the American way of life goodbye. China will know that our political class will allow and do anything to help Chinese-invested companies keep doing business as usual—regardless of the cost to our people. And importantly, they will learn that the American people will accept that state of affairs.

This is not a situation where we are just cancelling debt we do not want to pay—which

would cause a credit crisis. Instead, this is the price of lying to America and the world about a global pandemic. The CPC has gotten in the habit of using its totalitarian tactics against the world. At first, it seemed innocuous: making NBA players issue statements on the wonderful form of government in China. Now, it has become diabolical—as we see our friends suffer and die in overwhelmed hospitals in New York. This publication has run some remarks about how we need “wartime” thinking to get through this: perfect. In war, you do not pay your enemy interest. You sanction them.

There will be fallout and a painful period of adjustment. But the pain now will be nothing compared to the pain we will suffer as a nation later if we allow this attack on the global economy and health system go unanswered.

If all the CPC learns from this is that it just needs to keep lying to give cover to their allies in western countries while we keep dying to keep the economy going, then we will get more of the same. We will condition ourselves to accept the lies of the CPC out of fear that our economy and supply lines will be crippled. Rather than trading China into freedom, we are on the precipice of paying for their ideological values to dominate the globe.

If we are serious about rebuilding a strong American economy, it must be without Communist China. If we are serious about helping the Chinese people, then we need to seriously weaken and not subsidize their oppressive government. We need more Taiwans and Singapores.

It is imperative that we support those countries that embrace freedom, uphold human rights, and value transparency. Not only is it the right thing to do, but—as we have recently discovered—we cannot afford the alternative.

[Gunnar Gundersen](#) is an Affiliated Scholar and member of the Fellowship Faculty at the James Wilson Institute on Natural Rights and the American Founding. He is also Partner at Gundersen & Gundersen LLP, where he represents clients on intellectual property matters, including before the U.S. Supreme Court.